MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: October 11, 2006]

Bill No. and sponsor: S. 3265 (Mr. Bill Frist of Tennessee on behalf of Mrs. Elizabeth Dole of North Carolina).

Proponent name, location: National Council of Textile Organizations, Washington, DC.

Other bills on product (109th Congress only): S. 3264.


Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Staple fibers of viscose rayon, not carded, combed or otherwise processed for spinning, measuring 1.67 decitex to 16.67 decitex and having a fiber length each measuring 20 mm or more but not over 150 mm (provided for in subheading 5504.10.00).

Check one: X Same as that in bill as introduced.

Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The subject product, staple fibers of viscose rayon, are used in a variety of textile and nonwoven applications, including mattresses, baby wipes, upholstery, medical products, and arts and crafts. These products are imported from several countries, led by Germany, Austria, Finland, and China.

Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 5504.10.00</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
<td>$6,000,000</td>
<td>$6,000,000</td>
<td>$6,000,000</td>
<td>$6,000,000</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$258,000</td>
<td>$258,000</td>
<td>$258,000</td>
<td>$258,000</td>
<td>$258,000</td>
</tr>
</tbody>
</table>

Source of estimated dutiable import data: Industry estimates.

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1 Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); Tariff Affairs contact: Jan Summers (202-205-2605).
3 S. 3264 covers all of the products covered by this bill.
The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

Contacts with domestic firms/organizations (including the proponent):

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>Claim US makes same or competing product(s)?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Textile Association David Trumball, 617-542-8220</td>
<td>07/28/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments: The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.
S. 3265

To suspend temporarily the duty on staple fibers of viscose rayon, not carded.

IN THE SENATE OF THE UNITED STATES

MAY 26, 2006

Mr. Frist (for Mrs. Dole) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on staple fibers of viscose rayon, not carded.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STAPLE FIBERS OF VISCOSE RAYON, NOT CARDED.

(a) In General.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:
(b) **Effective Date.**—The amendment made by subsection (a) applies to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.